

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

ROYAL INTERCO, LLC, *et al.*,

Debtors¹.

Chapter 11

Case No. 25-10674 (TMH)

(Jointly Administered)

Hearing Date: May 2, 2025, 11:00 a.m. (ET)

Objection Deadline: April 28, 2025, 4:00 p.m. (ET)

Re: D.I. 15, 55

**RESERVATION OF RIGHTS OF THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS IN CONNECTION WITH THE DEBTORS' MOTION FOR ENTRY OF
AN ORDER APPROVING BIDDING PROCEDURES IN CONNECTION WITH THE
SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS**

The Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 bankruptcy cases (the “Chapter 11 Cases”) of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), by and through its undersigned proposed counsel, hereby submits this reservation of rights to the *Debtors’ Motion for (I) An Order Pursuant to Sections 105, 363, 364, 365 and 541 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006 and 9007 and Del. Bankr. L.R. 2002-1 and 6004-1 (A) Approving Bid Procedures for the Sale of Substantially All of the Debtors’ Assets; (B) Approving the Debtors’ Entry Into Stalking Horse Agreement and Related Bid Protections; (C) Approving Procedures for the Assumption and Assignment or Rejection of Designated Executory Contracts and Unexpired Leases; (D) Scheduling an Auction and Sale Hearing; (E) Approving Forms and Manner of Notice of*

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal EIN, are as follows: Royal Interco, LLC (7913); Doubletree Paper Mills, L.L.C. (1830); Royal Paper, LLC (9937); and Sun Paper Company, LLC (7899). The Debtors’ mailing address is 711 North 17th Avenue, Phoenix, AZ 85007.

Respective Dates, Times, and Places in Connection Therewith; and (F) Granting Related Relief; (II) An Order (A) Approving the Sale of the Debtors' Assets Free and Clear of Claims, Liens, and Encumbrances; and (B) Approving the Assumption and Assignment of Designated Executory Contracts and Unexpired Leases; and (III) Certain Related Relief [D.I. 15] (the "Bid Procedures Motion") and respectfully states as follows²:

RESERVATION OF RIGHTS

1. Upon the Committee's appointment, its primary goal was clear: to ensure that the Debtor's proposed sale process is being run to generate a robust and value-maximizing sale for the benefit of all of the Debtors' creditors, including the general unsecured creditors. To that end, the Committee has proposed that the Debtors incorporate certain language to the final order approving the Bid Procedures Motion (the "Final Order") that reflects additional protections for unsecured creditors and provides for a more transparent and robust sale process.

2. The Debtors have agreed to name the Committee as a Consultation Party, with all rights and entitlements thereto. With that change, the Committee does not oppose approval of the Bid Procedures Motion, but reserves all of its rights, including but not limited to the right to object at or prior to the Hearing, with respect to (i) preserving or obtaining additional liquidity to fund the estates' orderly winddown through a liquidating plan; (ii) the Debtors' proposed allowance of credit bidding; (iii) language concerning preservation of Estate Actions; and (iv) any objectionable modifications, amendments, and/or supplements that may be filed in connection with the Final Order. The Committee also reserves all of its rights with respect to any filing by the Debtors or the DIP Lenders prior to the Hearing on any basis whatsoever.

² Capitalized terms not defined herein shall have the same meanings as ascribed to them in the Bid Procedures Motion.

3. Additionally, because the identity of the Successful Bidder(s) and the ultimate terms of any Asset Purchase Agreement(s) are not presently before the Court, the Committee reserves the right to object to any proposed sale motion at the appropriate time. For the avoidance of doubt, to the extent the Court deems any issue as premature and not ripe for judicial decision, the Committee reserves its rights to object to such issues at the appropriate time.

Dated: April 28, 2025
Wilmington, Delaware

GELLERT SEITZ BUSENKELL & BROWN, LLC

/s/ Michael Busenkell

Michael Busenkell (DE Bar No. 3933)
Michael Van Gorder (DE Bar No. 6214)
1201 North Orange Street, Suite 300
Wilmington, DE 19801
Telephone: (302) 425-5812
E-mail: mbusenkell@gsbblaw.com
mvangorder@gsbblaw.com

-and-

LOWENSTEIN SANDLER LLP

Bruce S. Nathan (admitted *pro hac vice*)
Lindsay H. Sklar (admitted *pro hac vice*)
1251 Avenue of the Americas
New York, NY 10020
Telephone: (212) 262-6700
E-mail: bnathan@lowenstein.com
lsklar@lowenstein.com

-and-

Andrew D. Behlmann (admitted *pro hac vice*)
Colleen M. Restel (admitted *pro hac vice*)
One Lowenstein Drive
Roseland, NJ 07068
Telephone: (973) 597-2500
E-mail: abehlmann@lowenstein.com
crestel@lowenstein.com

*Proposed Counsel to the Official Committee of
Unsecured Creditors*